



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 4, 2004

S. 2688

Executive Branch Financial Accountability Reporting Act of 2004

*As ordered reported by the Senate Committee on Governmental Affairs
on July 21, 2004*

S. 2688 would direct the Office of Management and Budget (OMB) to prepare a report on all executive branch entities and activities that are exempt from the requirement to undergo an annual financial audit. Such entities would include many federal commissions, task forces, advisory boards, and other special groups. The report on those entities would include budget information and an assessment of the cost to prepare independent audits for these entities. The bill would require OMB to submit the report to the Congress within 60 days of enactment.

The cost to conduct such a study could vary depending on the level of detail included and the comprehensiveness of the analysis. Based on information from OMB, and the cost to prepare similar reports with short deadlines, CBO estimates that preparing and distributing this report would cost less than \$500,000 in fiscal year 2005, assuming the availability of appropriated funds. This estimate excludes any additional costs to prepare audits for entities that are currently exempt from auditing requirements. Subsequent legislation would be needed to authorize such audits. Enacting S. 2688 would not affect direct spending or revenues.

S. 2688 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act, and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Matthew Pickford. This estimate was approved by Robert A. Sunshine, Assistant Director for Budget Analysis.